



**Iowa General Assembly**  
**Daily Bills, Amendments and Study Bills**  
**May 17, 2013**

CCH638 .....	2
H1457 .....	35
HF650 .....	43
S3261 .....	52



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

REPORT OF THE CONFERENCE COMMITTEE  
ON HOUSE FILE 638

To the Speaker of the House of Representatives and the  
President of the Senate:

We, the undersigned members of the conference committee  
appointed to resolve the differences between the House of  
Representatives and the Senate on House File 638, a bill for an  
Act relating to and making appropriations to state departments  
and agencies from the rebuild Iowa infrastructure fund and the  
technology reinvestment fund, providing for related matters,  
and including effective date provisions, respectfully make the  
following report:



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

1. That the Senate recedes from its amendment, H-1382.
2. That House File 638, as passed by the House, is amended to read as follows:
  1. By striking everything after the enacting clause and inserting:

<DIVISION I

REBUILD IOWA INFRASTRUCTURE FUND

Section 1. There is appropriated from the rebuild Iowa infrastructure fund to the following departments and agencies for the following fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

a. For projects related to major repairs and major maintenance for state buildings and facilities:

FY 2013-2014:

..... \$ 4,000,000

Of the amount appropriated in this lettered paragraph for the fiscal year beginning July 1, 2013, \$250,000 shall be allocated for the disposition and relocation of structures located at 707 east locust and 709 east locust, Des Moines, Iowa.

Of the amount appropriated in this lettered paragraph for the fiscal year beginning July 1, 2013, \$1,800,000 shall be allocated for relocation costs for moving employees out of the Wallace building including moving costs and lease adjustments. As a condition of this allocation, all employees currently located in the Wallace building shall be relocated to a new office location by December 31, 2013, pursuant to the department's competitive bidding process for office space.

FY 2014-2015:

..... \$ 14,000,000

b. For costs associated with the planning and design of the Wallace office building including roof replacement:

HF638.2323 (3) 85

rh/tm

2/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

FY 2013-2014:

..... \$ 500,000

Of the amount appropriated in this lettered paragraph for FY 2013-2014, \$500,000 shall be allocated for relocation costs for moving employees out of the Wallace building including moving costs and lease adjustments. As a condition of this allocation, all employees currently located in the Wallace building shall be relocated to a new office location by December 31, 2013, pursuant to the department's competitive bidding process for office space.

FY 2014-2015:

..... \$ 3,900,000

By October 15, 2014, the department shall submit a report to the general assembly on the results of the planning and study of the building including the use of and anticipated cash flow needs for the final building design.

2. DEPARTMENT OF CULTURAL AFFAIRS

a. For deposit into the Iowa great places program fund created in section 303.3D for Iowa great places program projects that meet the definition of "vertical infrastructure" in section 8.57, subsection 5, paragraph "c":

FY 2013-2014:

..... \$ 1,000,000

b. For the planning, design, construction, and renovation of the state historical building:

FY 2014-2015:

..... \$ 3,800,000

By October 15, 2014, the department shall submit a report to the general assembly on the results of the planning and study of the building including the use of and anticipated cash flow needs for the final building design.

3. ECONOMIC DEVELOPMENT AUTHORITY

a. For equal distribution to regional sports authority districts certified by the economic development authority

HF638.2323 (3) 85

-3-

rh/tm

3/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

pursuant to section 15E.321, notwithstanding section 8.57,  
subsection 5, paragraph "c":

FY 2013-2014:

..... \$ 500,000

b. For deposit into the river enhancement community  
attraction and tourism fund created in section 15F.205:

FY 2013-2014:

..... \$ 1,000,000

c. For administration and support of the world food prize  
including the Borlaug/Ruan scholar program, notwithstanding  
section 8.57, subsection 5, paragraph "c":

FY 2013-2014:

..... \$ 100,000

4. DEPARTMENT OF HUMAN SERVICES

For the renovation and construction of certain nursing  
facilities, consistent with the provisions of chapter 249K:

FY 2013-2014:

..... \$ 300,000

5. DEPARTMENT OF PUBLIC DEFENSE

a. For major maintenance projects at national guard  
armories and facilities:

FY 2013-2014:

..... \$ 2,000,000

b. For construction improvement projects at statewide  
readiness centers:

FY 2013-2014:

..... \$ 2,000,000

c. For construction upgrades at Camp Dodge:

FY 2013-2014:

..... \$ 500,000

6. DEPARTMENT OF NATURAL RESOURCES

a. For implementation of lake projects that have  
established watershed improvement initiatives and community  
support in accordance with the department's annual lake

HF638.2323 (3) 85

-4-

rh/tm

4/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

restoration plan and report, notwithstanding section 8.57,  
subsection 5, paragraph "c":

FY 2013-2014:

..... \$ 8,600,000

b. For the administration of a water trails and low head  
dam public hazard statewide plan, including salaries, support,  
maintenance, and miscellaneous purposes, notwithstanding  
section 8.57, subsection 5, paragraph "c":

FY 2013-2014:

..... \$ 1,000,000

7. BOARD OF REGENTS

For allocation by the state board of regents to the state  
university of Iowa, Iowa state university of science and  
technology, and the university of northern Iowa to reimburse  
the institutions for deficiencies in the operating funds  
resulting from the pledging of tuition, student fees and  
charges, and institutional income to finance the cost of  
providing academic and administrative buildings and facilities  
and utility services at the institutions:

FY 2013-2014:

..... \$ 27,867,775

8. DEPARTMENT OF TRANSPORTATION

a. For acquiring, constructing, and improving recreational  
trails within the state:

FY 2013-2014:

..... \$ 3,000,000

b. For deposit into the public transit infrastructure  
grant fund created in section 324A.6A, for projects that meet  
the definition of "vertical infrastructure" in section 8.57,  
subsection 5, paragraph "c":

FY 2013-2014:

..... \$ 1,500,000

c. For infrastructure improvements at the commercial  
service airports within the state:

HF638.2323 (3) 85

-5-

rh/tm

5/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

FY 2013-2014:

..... \$ 1,500,000

d. For infrastructure improvements at general aviation  
airports within the state:

FY 2013-2014:

..... \$ 750,000

9. TREASURER OF STATE

For distribution in accordance with chapter 174 to qualified  
fairs which belong to the association of Iowa fairs for county  
fair infrastructure improvements:

FY 2013-2014:

..... \$ 1,060,000

Sec. 2. REVERSION. For purposes of section 8.33, unless  
specifically provided otherwise, unencumbered or unobligated  
moneys made from an appropriation in this division of this Act  
shall not revert but shall remain available for expenditure for  
the purposes designated until the close of the fiscal year that  
ends three years after the end of the fiscal year for which the  
appropriation is made. However, if the project or projects for  
which such appropriation was made are completed in an earlier  
fiscal year, unencumbered or unobligated moneys shall revert at  
the close of that same fiscal year.

DIVISION II

TECHNOLOGY REINVESTMENT FUND

Sec. 3. There is appropriated from the technology  
reinvestment fund created in section 8.57C to the following  
departments and agencies for the following fiscal years, the  
following amounts, or so much thereof as is necessary, to be  
used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

For technology consolidation and technology improvement  
projects approved by the state chief information officer  
appointed pursuant to section 8A.201A:

FY 2014-2015:

HF638.2323 (3) 85

-6-

rh/tm

6/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

..... \$ 6,613,663

2. DEPARTMENT OF EDUCATION

a. For maintenance and lease costs associated with  
connections for part III of the Iowa communications network:

FY 2013-2014:

..... \$ 2,727,000

b. For the continued development and implementation of an  
education data warehouse to be utilized by teachers, parents,  
school district administrators, area education agency staff,  
department of education staff, and policymakers:

FY 2013-2014:

..... \$ 600,000

The department may use a portion of the moneys appropriated  
in this lettered paragraph for an e-transcript data system  
capable of tracking students throughout their education via  
interconnectivity with multiple schools.

c. To the public broadcasting division for the replacement  
of equipment and for tower and facility maintenance:

FY 2013-2014:

..... \$ 960,000

d. For hardware and software equipment for the state  
library, including laptop and tablet computers, audio and video  
equipment, and the purchase of online resources:

FY 2013-2014:

..... \$ 250,000

3. DEPARTMENT OF HUMAN RIGHTS

For the cost of equipment and computer software for the  
implementation of Iowa's criminal justice information system:

FY 2013-2014:

..... \$ 1,454,734

4. DEPARTMENT OF HUMAN SERVICES

For a grant to a nonprofit agency that provides innovative  
solutions to children and adults with autism in a city with a  
population between 14,500 and 15,500 in the latest preceding



**Iowa General Assembly**  
**Daily Bills, Amendments and Study Bills**  
**May 17, 2013**

CCH-638

certified federal census, for the cost associated with internet services and video communications systems for clinics:

FY 2013-2014:

..... \$ 154,156

5. IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

For replacement of equipment for the Iowa communications network:

FY 2013-2014:

..... \$ 2,248,653

The commission may continue to enter into contracts pursuant to section 8D.13 for the replacement of equipment and for operations and maintenance costs of the network.

In addition to moneys appropriated in this subsection, the commission may use a financing agreement entered into by the treasurer of state in accordance with section 12.28 for the replacement of equipment for the network. For purposes of this subsection, the treasurer of state is not subject to the maximum principal limitation contained in section 12.28, subsection 6. Repayment of any amounts financed shall be made from receipts associated with fees charged for use of the network.

6. DEPARTMENT OF MANAGEMENT

For the continued development and implementation of a searchable database that can be placed on the internet for budget and financial information:

FY 2013-2014:

..... \$ 45,000

7. DEPARTMENT OF PUBLIC HEALTH

For technology consolidation projects:

FY 2013-2014:

..... \$ 480,000

Sec. 4. REVERSION. For purposes of section 8.33, unless specifically provided otherwise, unencumbered or unobligated moneys made from an appropriation in this division of this Act

HF638.2323 (3) 85

-8-

rh/tm

8/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends three years after the end of the fiscal year for which the appropriation was made. However, if the project or projects for which such appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

DIVISION III

CHILDREN'S HEALTH INSURANCE PROGRAM — TECHNOLOGY REINVESTMENT  
FUND

Sec. 5. CHILDREN'S HEALTH INSURANCE PROGRAM — DEPARTMENT OF ADMINISTRATIVE SERVICES. Moneys received from the federal government through the child enrollment contingency fund established pursuant to section 103 of the federal Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3, are transferred to the rebuild Iowa infrastructure fund created in section 8.57 and appropriated to the department of administrative services for the following fiscal year, to be used for projects related to major repairs and major maintenance for state buildings and facilities:

FY 2013-2014:

..... \$ 11,310,648

The moneys appropriated pursuant to this section shall not be used for any appropriations that receive federal funding. Notwithstanding section 8.33, the moneys appropriated in this section shall not revert to the fund from which appropriated. The department of human services shall work with the department of management and the department of administrative services in drawing down the federal moneys.

DIVISION IV

FEDERAL ECONOMIC STIMULUS AND JOBS HOLDING FUND AND VALUES FUND  
MONEY TRANSFER

Sec. 6. 2009 Iowa Acts, chapter 179, section 7, is amended by adding the following new subsection:

HF638.2323 (3) 85

-9-

rh/tm

9/33



**Iowa General Assembly**  
**Daily Bills, Amendments and Study Bills**  
**May 17, 2013**

CCH-638

NEW SUBSECTION. 4. Loan payments or repayments and recaptures of principal, interest, or other moneys accruing to the economic development authority pursuant to an economic development agreement under a program funded using moneys appropriated in 2004 Acts, First Extraordinary Session, chapter 1002, from the federal economic stimulus and jobs holding fund shall be transferred to a fund established by the authority in the state treasury under the control of the authority pursuant to section 15.106A, subsection 1, paragraph "o".

Sec. 7. 2011 Iowa Acts, chapter 133, is amended by adding the following new section:

SEC. 13A. TRANSITION UPON REPEAL. Any moneys in the economic development fund created pursuant to section 15G.111, Code Supplement 2011, that remain unobligated on July 1, 2013, shall be transferred to the rebuild Iowa infrastructure fund. The authority shall provide notification to the department of management and to the legislative services agency at the time of the transfer.

DIVISION V

PROPERTY TAX CREDIT FUND BALANCE TRANSFER — REBUILD IOWA  
INFRASTRUCTURE FUND

Sec. 8. PROPERTY TAX CREDIT FUND BALANCE TRANSFER — REBUILD IOWA INFRASTRUCTURE FUND. Moneys in the property tax credit fund created in 2010 Iowa Acts, chapter 1193, section 8, that remain unencumbered or unobligated on June 30, 2013, shall be transferred to the rebuild Iowa infrastructure fund.

Sec. 9. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION VI

IOWA COMMUNICATIONS NETWORK

Sec. 10. IOWA COMMUNICATIONS NETWORK — AUTHORIZATION FOR CONTRACTS. Pursuant to section 8D.11, subsection 1, paragraph "a", the general assembly authorizes the Iowa

HF638.2323 (3) 85

-10-

rh/tm

10/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

telecommunications and technology commission to enter into contracts in excess of the contract limitation amount established in section 8D.11, subsection 1, paragraph "c", for purposes of the commission's project associated with implementing a managed services solution to provide unified communications services on or related to the capitol complex. This authorization applies for the duration of the commission's project and to all affected contracts associated with the project.

Sec. 11. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION VII  
IOWA JOBS BOARD

Sec. 12. Section 12.87, subsection 12, Code 2013, is amended to read as follows:

12. Neither the treasurer of state, the Iowa ~~jobs board~~ finance authority, nor any person acting on behalf of the treasurer of state or the Iowa ~~jobs board~~ finance authority while acting within the scope of their employment or agency, is subject to personal liability resulting from carrying out the powers and duties conferred by this section and sections 12.88 through 12.90.

Sec. 13. Section 16.193, subsection 1, Code 2013, is amended to read as follows:

1. The ~~Iowa finance authority, subject to approval by the Iowa jobs board,~~ shall adopt administrative rules pursuant to chapter 17A necessary to administer the Iowa jobs program and Iowa jobs II program. The authority shall ~~provide the board with assistance in implementing administrative functions, be responsible for providing technical assistance and application assistance to applicants under the programs, negotiating contracts, and providing project follow up. The authority, in cooperation with the board, may conduct negotiations on behalf~~

HF638.2323 (3) 85

-11-

rh/tm

11/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

~~of the board with applicants regarding terms and conditions  
applicable to awards under the program.~~

Sec. 14. Section 16.194, subsection 2, Code 2013, is amended to read as follows:

2. A city or county or a public organization in this state may submit an application to the ~~Iowa jobs board~~ authority for financial assistance for a local infrastructure competitive grant for an eligible project under the program, notwithstanding any limitation on the state's percentage in funding as contained in section 29C.6, subsection 17.

Sec. 15. Section 16.194, subsection 4, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The ~~board~~ authority shall consider the following criteria in evaluating eligible projects to receive financial assistance under the program:

Sec. 16. Section 16.194, subsection 7, Code 2013, is amended to read as follows:

7. In order for a project to be eligible to receive financial assistance from the ~~board~~ authority, the project must be a public construction project pursuant to subsection 1 with a demonstrated substantial local, regional, or statewide economic impact.

Sec. 17. Section 16.194, subsection 8, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The ~~board~~ authority shall not approve an application for assistance for any of the following purposes:

Sec. 18. Section 16.194, subsection 9, paragraph b, Code 2013, is amended to read as follows:

b. Any portion of an amount allocated for projects that remains unexpended or unencumbered one year after the allocation has been made may be reallocated to another project category, at the discretion of the ~~board~~ authority. The ~~board~~ authority shall ensure that all bond proceeds be expended within three years from when the allocation was initially made.

HF638.2323 (3) 85

-12-

rh/tm

12/33



**Iowa General Assembly**  
**Daily Bills, Amendments and Study Bills**  
**May 17, 2013**

CCH-638

Sec. 19. Section 16.194, subsection 10, Code 2013, is amended to read as follows:

10. The ~~board~~ authority shall ensure that funds obligated under this section are coordinated with other federal program funds received by the state, and that projects receiving funds are located in geographically diverse areas of the state.

Sec. 20. Section 16.194A, subsections 2, 7, 9, and 10, Code 2013, are amended to read as follows:

2. A city or county in this state that applies the smart planning principles and guidelines pursuant to sections 18B.1 and 18B.2 may submit an application to the ~~Iowa jobs board~~ authority for financial assistance for a local infrastructure competitive grant for an eligible project under the program, notwithstanding any limitation on the state's percentage in funding as contained in section 29C.6, subsection 17.

7. In order for a project to be eligible to receive financial assistance from the ~~board~~ authority, the project must be a public construction project pursuant to subsection 1 with a demonstrated substantial local, regional, or statewide economic impact.

9. Any portion of an amount allocated for projects that remains unexpended or unencumbered one year after the allocation has been made may be reallocated to another project category, at the discretion of the ~~board~~ authority. The ~~board~~ authority shall ensure that all bond proceeds be expended within three years from when the allocation was initially made.

10. The ~~board~~ authority shall ensure that funds obligated under this section are coordinated with other federal program funds received by the state, and that projects receiving funds are located in geographically diverse areas of the state.

Sec. 21. Section 16.194A, subsection 4, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The ~~board~~ authority shall consider the following criteria in evaluating eligible projects to receive financial assistance

HF638.2323 (3) 85

-13-

rh/tm

13/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

under the program:

Sec. 22. Section 16.194A, subsection 8, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The ~~board~~ authority shall not approve an application for assistance for any of the following purposes:

Sec. 23. Section 16.195, Code 2013, is amended to read as follows:

**16.195 Iowa jobs program application review.**

1. Applications for assistance under the Iowa jobs program and Iowa jobs II program shall be submitted to the ~~Iowa finance~~ authority for review and approval. ~~The authority shall provide a staff review and evaluation of applications to the Iowa jobs program review committee referred to in subsection 2 and to the Iowa jobs board.~~

2. ~~A review committee composed of members of the board as determined by the board shall review Iowa jobs program applications submitted to the board and make recommendations regarding the applications to the board.~~ When reviewing the applications, the ~~review committee and the~~ authority shall consider the project criteria specified in sections 16.194 and 16.194A. The ~~board~~ authority shall develop the appropriate level of transparency regarding project fund allocations.

3. Upon approval of an application for financial assistance under the program, the ~~board~~ authority shall notify the treasurer of state regarding the amount of moneys needed to satisfy the award of financial assistance and the terms of the award. The treasurer of state shall notify the ~~Iowa finance~~ authority any time moneys are disbursed to a recipient of financial assistance under the program.

Sec. 24. Section 16.196, Code 2013, is amended to read as follows:

**16.196 Iowa jobs ~~restricted capitals fund~~ — fund appropriations.**

~~1. An Iowa jobs restricted capitals fund is created and~~

HF638.2323 (3) 85

-14-

rh/tm

14/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

~~established as a separate and distinct fund in the state treasury. The fund consists of moneys appropriated from the revenue bonds capitals fund created in section 12.88. The moneys in the fund are appropriated to the Iowa jobs board for purposes of the Iowa jobs program established in section 16.194. Moneys in the fund shall not be subject to appropriation for any other purpose by the general assembly, but shall be used only for the purposes of the Iowa jobs program. The treasurer of state shall act as custodian of the fund and disburse moneys contained in the fund. The fund shall be administered by the board which shall make allocations from the fund consistent with the purposes of the Iowa jobs program.~~

~~2.~~ 1. There is appropriated from the revenue bonds capitals fund created in section 12.88, to the Iowa jobs restricted capitals fund authority, for the fiscal year beginning July 1, 2009, and ending June 30, 2010, one hundred sixty-five million dollars to be allocated as follows:

*a.* One hundred eighteen million five hundred thousand dollars for competitive grants for local infrastructure projects relating to disaster rebuilding, reconstruction and replacement of local buildings, flood control and flood protection, and future flood prevention public projects. An applicant for a local infrastructure grant shall not receive more than fifty million dollars in financial assistance from the fund.

*b.* Forty-six million five hundred thousand dollars for disaster relief and mitigation and local infrastructure grants for the following renovation and construction projects, notwithstanding any limitation on the state's percentage participation in funding as contained in section 29C.6, subsection 17:

(1) For grants to a county with a population between one hundred eighty-nine thousand and one hundred ninety-six thousand in the latest preceding certified federal census, to

HF638.2323 (3) 85

-15-

rh/tm

15/33



**Iowa General Assembly**  
**Daily Bills, Amendments and Study Bills**  
**May 17, 2013**

CCH-638

be distributed as follows:

(a) Ten million dollars for the construction of a new, shared facility between nonprofit human service organizations serving the public, especially the needs of low-income Iowans, including those displaced as a result of the disaster of 2008.

(b) Five million dollars for the construction or renovation of a facility for a county-funded workshop program serving the public and particularly persons with mental illness or developmental disabilities.

(2) For grants to a city with a population between one hundred ten thousand and one hundred twenty thousand in the latest preceding certified federal census, to be distributed as follows:

(a) Five million dollars for an economic redevelopment project benefiting the public by improving energy efficiency and the development of alternative and renewable energy technologies.

(b) Ten million dollars for a museum serving the public and dedicated to the preservation of an eastern European cultural heritage through the collection, exhibition, preservation, and interpretation of historical artifacts.

(c) Five million dollars for a theater serving the public and promoting culture, entertainment, and tourism.

(d) Five million dollars for a public library.

(e) Five million dollars for a public works building.

(3) One million five hundred thousand dollars, to be distributed as follows:

(a) Five hundred thousand dollars to a city with a population between six hundred and six hundred fifty in the latest preceding certified federal census, for a public fire station.

(b) Five hundred thousand dollars to a city with a population between one thousand four hundred and one thousand five hundred in the latest preceding certified federal census,

HF638.2323 (3) 85

-16-

rh/tm

16/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

for a public fire station.

(c) Five hundred thousand dollars for a city with a population between seven thousand eight hundred and seven thousand eight hundred fifty, for a public fire station.

~~3.~~ 2. Grant awards for a project under subsection 2 1, paragraph "b", are contingent upon submission of a plan for each project by the applicable county or city governing board or in the case of a project submitted pursuant to subsection 2 1, paragraph "b", subparagraph (2), subparagraph division (b), by the board of directors, to the ~~Iowa jobs board~~ authority, no later than September 1, 2009, detailing a description of the project, the plan to rebuild, and the amount or percentage of federal, state, local, or private matching moneys which will be or have been provided for the project. Funds not utilized in accordance with subsection ~~2, paragraph "b"~~, ~~due to failure to file a plan by the September 1 deadline~~ 1, shall revert to the ~~Iowa jobs restricted revenue bonds capitals fund to be available for local infrastructure competitive grants~~. A grant recipient under subsection 2 1, paragraph "b", shall not be precluded from applying for a local infrastructure competitive grant pursuant to this section and section 16.195.

~~4. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.~~

~~5.~~ 3. Annually, on or before January 15 of each year, the ~~board~~ authority shall report to the legislative services agency and the department of management the status of all projects receiving moneys from the fund completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

HF638.2323 (3) 85

-17-

rh/tm

17/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

~~6.~~ 4. Payment of moneys appropriated from the fund shall be made in a manner that does not adversely affect the tax-exempt status of any outstanding bonds issued by the treasurer of state.

Sec. 25. Section 16.197, Code 2013, is amended to read as follows:

**16.197 Limitation of liability.**

~~A member of the Iowa jobs board, a person acting on behalf of the board while acting within the scope of their employment or agency,~~ The authority or the treasurer of state, shall not be subject to personal liability resulting from carrying out the powers and duties of the ~~board~~ authority or the treasurer, as applicable, in sections ~~16.192~~ 16.193 through 16.196.

Sec. 26. IOWA JOBS BOARD — TRANSITION PROVISIONS —  
LIMITATION OF LIABILITY.

1. Any contract or agreement issued or entered into by the Iowa jobs board relating to the provisions of this division of this Act, in effect on the effective date of this division of this Act, shall continue in full force and effect and any responsibility of the board relative to the contracts or agreements as provided in those contracts or agreements shall be transferred to the Iowa finance authority.

2. A member of the Iowa jobs board or a person acting on behalf of the board while acting within the scope of that person's employment or agency shall not be subject to personal liability resulting from carrying out the powers and duties of the board prior to the effective date of this division of this Act, as applicable, in sections 12.87 through 12.90 and in sections 16.192 through 16.196, Code 2013.

Sec. 27. REPEAL. Sections 16.191 and 16.192, Code 2013, are repealed.

DIVISION VIII  
ECONOMIC DEVELOPMENT AUTHORITY —  
COMMUNITY ATTRACTION AND TOURISM PROJECT STUDY

HF638.2323 (3) 85

-18-

rh/tm

18/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

Sec. 28. ECONOMIC DEVELOPMENT AUTHORITY — COMMUNITY ATTRACTION AND TOURISM PROJECT STUDY. The economic development authority shall conduct a study to determine the effectiveness of giving priority to projects that receive moneys from the community attraction and tourism fund that attract the highest number of visitors and that attain the highest match levels. The authority shall submit a report and recommendations to the general assembly by January 1, 2014.

DIVISION IX

MISCELLANEOUS CODE CHANGES

Sec. 29. Section 8.57, subsection 5, paragraph e, Code 2013, is amended to read as follows:

e. (1) (a) (i) ~~Notwithstanding provisions to the contrary in sections 99D.17 and 99F.11, for~~ For the fiscal year beginning July 1, 2000, and for each fiscal year thereafter, through the fiscal year beginning July 1, 2012, not more than a total of sixty-six million dollars shall be deposited in the general fund of the state in any fiscal year pursuant to sections 99D.17 and 99F.11.

(ii) However, in lieu of the deposit in subparagraph subdivision (i), for the fiscal year beginning July 1, 2010, and for each fiscal year thereafter ~~until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.87 are paid,~~ through the fiscal year beginning July 1, 2012, as determined by the treasurer of state, the first fifty-five million dollars of the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the revenue bonds debt service fund created in section 12.89, and the next three million seven hundred fifty thousand dollars of the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the revenue bonds federal subsidy holdback fund created in section 12.89A, and the next one million two hundred fifty thousand dollars of

HF638.2323 (3) 85

-19-

rh/tm

19/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the general fund of the state.

(b) The next fifteen million dollars of the moneys directed to be deposited in the general fund of the state in a fiscal year pursuant to sections 99D.17 and 99F.11 shall be deposited in the vision Iowa fund created in section 12.72 for the fiscal year beginning July 1, 2000, and for each fiscal year thereafter through the fiscal year beginning July 1, 2019 2012.

(c) The next five million dollars of the moneys directed to be deposited in the general fund of the state in a fiscal year pursuant to sections 99D.17 and 99F.11 shall be deposited in the school infrastructure fund created in section 12.82 for the fiscal year beginning July 1, 2000, and for each fiscal year thereafter ~~until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.81 are paid, as determined by the treasurer of state~~ through the fiscal year beginning July 1, 2012.

(d) (i) The total moneys in excess of the moneys deposited under this paragraph "e" in the revenue bonds debt service fund, the revenue bonds federal subsidy holdback fund, the vision Iowa fund, the school infrastructure fund, and the general fund of the state in a fiscal year shall be deposited in the rebuild Iowa infrastructure fund and shall be used as provided in this section, notwithstanding section 8.60.

(ii) (A) Except as otherwise provided in subparagraph part (B), in lieu of the deposit in subparagraph subdivision (i), for the fiscal years beginning July 1, 2010, and July 1, 2011, ~~and July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.87 are paid, as determined by the treasurer of state,~~ sixty-four million seven hundred fifty thousand dollars of the excess moneys directed to be deposited in the rebuild Iowa infrastructure fund under subparagraph

HF638.2323 (3) 85

-20-

rh/tm

20/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

subdivision (i) shall be deposited in the general fund of the state.

(B) For the fiscal year beginning July 1, 2012, and ending June 30, 2013, thirty-eight million seven hundred fifty thousand dollars shall be deposited in the general fund of the state and the next twenty million dollars shall be deposited in the technology reinvestment fund.

(2) If the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a any fiscal year through the fiscal year beginning July 1, 2012, is less than the total amount of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund in the fiscal year pursuant to this paragraph "e", the difference shall be paid from moneys deposited in the beer and liquor control fund created in section 123.53 in the manner provided in section 123.53, subsection 3.

(3) After the deposit of moneys directed to be deposited in the general fund of the state, the revenue bonds debt service fund, and the revenue bonds federal subsidy holdback fund, as provided in subparagraph (1), subparagraph division (a), if the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a any fiscal year through the fiscal year beginning July 1, 2012, is less than the total amount of moneys directed to be deposited in the vision Iowa fund and the school infrastructure fund in the fiscal year pursuant to this paragraph "e", the difference shall be paid from lottery revenues in the manner provided in section 99G.39, subsection 3.

Sec. 30. Section 8.57, subsection 5, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. *Of.* (1) (a) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer

HF638.2323 (3) 85

-21-

rh/tm

21/33



**Iowa General Assembly**  
**Daily Bills, Amendments and Study Bills**  
**May 17, 2013**

CCH-638

of state pursuant to section 12.87 are paid, as determined by the treasurer of state, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the first fifty-five million dollars shall be deposited in the revenue bonds debt service fund created in section 12.89, and the next three million seven hundred fifty thousand dollars shall be deposited in the revenue bonds federal subsidy holdback fund created in section 12.89A.

(b) For the fiscal year beginning July 1, 2013, and for each fiscal year through the fiscal year beginning July 1, 2019, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the next fifteen million dollars shall be deposited in the vision Iowa fund created in section 12.72.

(c) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.81 are paid, as determined by the treasurer of state, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the next five million dollars shall be deposited in the school infrastructure fund created in section 12.82.

(d) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the next sixty-six million dollars shall be deposited in the Iowa skilled worker and job creation fund created in section 8.75, if enacted by 2013 Iowa Acts, House File 604.

(e) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, the total moneys in excess of the moneys deposited under this paragraph "Of" in the revenue bonds debt service fund, the revenue bonds federal subsidy holdback fund, the vision Iowa fund, the school infrastructure fund, and the Iowa skilled worker and job creation fund if enacted by 2013 Iowa Acts, House File 604, shall be deposited in the rebuild Iowa infrastructure fund and shall be used as provided

HF638.2323 (3) 85

-22-

rh/tm

22/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

in this section, notwithstanding section 8.60.

(2) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, if the total amount of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, and to be deposited pursuant to subparagraph (1), subparagraph division (a), is less than the total amount of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund in the fiscal year pursuant to subparagraph (1), subparagraph division (a), the difference shall be paid from moneys deposited in the beer and liquor control fund created in section 123.53 in the manner provided in section 123.53, subsection 3.

(3) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, after the deposit of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund, as provided in subparagraph (1), subparagraph division (a), if the total amount of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, and to be deposited pursuant to subparagraph (1), subparagraph divisions (b) and (c), is less than the total amount of moneys directed to be deposited in the vision Iowa fund and the school infrastructure fund in the fiscal year pursuant to subparagraph (1), subparagraph divisions (b) and (c), the difference shall be paid from lottery revenues in the manner provided in section 99G.39, subsection 3.

Sec. 31. Section 8.57C, subsection 3, Code 2013, is amended to read as follows:

3. a. There is appropriated from the general fund of the state for the fiscal year beginning July 1, ~~2013~~ 2014, and for each subsequent fiscal year thereafter, the sum of seventeen million five hundred thousand dollars to the technology reinvestment fund.

b. There is appropriated from the rebuild Iowa

HF638.2323 (3) 85

-23-

rh/tm

23/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

infrastructure fund for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the sum of seventeen million five hundred thousand dollars, and for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the sum of fourteen million five hundred twenty-five thousand dollars to the technology reinvestment fund, notwithstanding section 8.57, subsection 5, paragraph "c".

c. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2010, and ending June 30, 2011, the sum of ten million dollars to the technology reinvestment fund, notwithstanding section 8.57, subsection 5, paragraph "c".

d. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012, the sum of fifteen million five hundred forty-one thousand dollars to the technology reinvestment fund, notwithstanding section 8.57, subsection 5, paragraph "c".

e. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2013, and ending June 30, 2014, the sum of fourteen million three hundred ten thousand dollars to the technology reinvestment fund, notwithstanding section 8.57, subsection 5, paragraph "c".

Sec. 32. Section 15F.204, subsection 8, paragraph g, Code 2013, is amended to read as follows:

g. For each fiscal ~~period~~ year for the fiscal period beginning July 1, 2012, and ending June 30, ~~2014~~ 2013, the sum of five million dollars.

Sec. 33. Section 15F.204, subsection 8, Code 2013, is amended by adding the following new paragraphs:

NEW PARAGRAPH. h. For the fiscal year beginning July 1, 2013, and ending June 30, 2014, the sum of seven million dollars.



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

NEW PARAGRAPH. *i.* For the fiscal year beginning July 1, 2014, and ending June 30, 2015, the sum of five million dollars.

Sec. 34. Section 99D.14, subsection 2, paragraph c, Code 2013, is amended to read as follows:

*c.* Notwithstanding sections 8.60 and 99D.17, the portion of the fee paid pursuant to paragraph "a" relating to the costs of the commission shall ~~not be deposited in the general fund of the state but instead~~ shall be deposited into the gaming regulatory revolving fund established in section 99F.20.

Sec. 35. Section 99D.17, Code 2013, is amended to read as follows:

**99D.17 Use of funds.**

Funds received pursuant to sections 99D.14 and 99D.15 shall be deposited ~~in the general fund of the state as provided in section 8.57, subsection 5,~~ and shall be subject to the requirements of section 8.60. These funds shall first be used to the extent appropriated by the general assembly. The commission is subject to the budget requirements of chapter 8 and the applicable auditing requirements and procedures of chapter 11.

Sec. 36. Section 99F.10, subsection 4, paragraph c, Code 2013, is amended to read as follows:

*c.* Notwithstanding sections 8.60 and 99F.4, the portion of the fee paid pursuant to paragraph "a" relating to the costs of the commission ~~shall not be deposited in the general fund of the state but instead~~ shall be deposited into the gaming regulatory revolving fund established in section 99F.20.

Sec. 37. Section 99F.11, subsection 3, paragraph d, Code 2013, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (4) One-half of the moneys remaining after the appropriation in subparagraph (1) shall be credited, on a quarterly basis, to the rebuild Iowa infrastructure fund.

Sec. 38. Section 99F.11, subsection 3, paragraph e, Code

HF638.2323 (3) 85

-25-

rh/tm

25/33



**Iowa General Assembly**  
**Daily Bills, Amendments and Study Bills**  
**May 17, 2013**

CCH-638

2013, is amended to read as follows:

e. The remaining amount of the adjusted gross receipts tax shall be credited ~~to the general fund of the state~~ as provided in section 8.57, subsection 5.

Sec. 39. CONTINGENT EFFECTIVENESS. The amendment to section 99F.11, subsection 3, paragraph "d", in this division of this Act is effective contingent upon the amendment to section 99F.11, subsection 3, paragraph "d", subparagraph (3), in 2013 Iowa Acts, House File 620.

DIVISION X

CHANGES TO PRIOR APPROPRIATIONS

Sec. 40. 2007 Iowa Acts, chapter 219, section 2, as amended by 2011 Iowa Acts, chapter 133, section 32, and 2012 Iowa Acts, chapter 1138, section 10, is amended to read as follows:

SEC. 2. REVERSION.

1. Except as provided in subsection 2 and notwithstanding section 8.33, moneys appropriated for the fiscal year beginning July 1, 2007, in this division of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2010, or until the project for which the appropriation was made is completed, whichever is earlier.

2. a. Notwithstanding section 8.33, moneys appropriated in section 1, subsection 1, paragraphs "a" and "f" of this division of this Act that remain unencumbered or unobligated at the close of the fiscal year for which they were appropriated shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, ~~2012~~ 2013, or until the project for which the appropriation was made is completed, whichever is earlier.

b. The department of administrative services is authorized to provide for the disposition and relocation of structures located at 707 east locust and 709 east locust, Des Moines,

HF638.2323 (3) 85

-26-

rh/tm

26/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

Iowa, in a manner as deemed appropriate by the department. The disposition of the structures, if possible, shall be completed in a manner that reduces or eliminates the costs of the state associated with the removal of the structures from their current locations. Any amount received from the disposition of the structures as permitted under this section shall be retained by the department to pay for improvement costs associated with the restoration of the west capitol terrace. The department, if unable to otherwise dispose of the structures, is authorized to demolish the structures using other appropriate funding available to the department.

Sec. 41. 2008 Iowa Acts, chapter 1179, section 20, as amended by 2009 Iowa Acts, chapter 173, section 25, is amended to read as follows:

SEC 20. REVERSION.

1. ~~Notwithstanding~~ Except as provided in subsections 2 through 4 and notwithstanding section 8.33, moneys appropriated in this division of this Act for the fiscal year beginning July 1, 2008, and ending June 30, 2009, shall not revert at the close of the fiscal year for which they are appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2012, or until the project for which the appropriation was made is completed, whichever is earlier.

2. Notwithstanding section 8.33, moneys appropriated in section 18, subsection 9, paragraph "a", of this division as amended by 2009 Iowa Acts, chapter 173, section 24, that remain unencumbered or unobligated at the close of the fiscal year for which they were appropriated shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2017, or until the project for which the appropriation was made is completed, whichever is earlier.

3. Notwithstanding section 8.33, moneys appropriated in

HF638.2323 (3) 85

-27-

rh/tm

27/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

section 18, subsection 1, paragraph "h", of this division of this Act as amended by 2009 Iowa Acts, chapter 173, section 23, that remain unencumbered or unobligated at the close of the fiscal year for which the appropriation was made shall not revert but shall remain available for the purpose designated until the close of the fiscal year that begins July 1, 2013, or until the project for which the appropriation was made is completed, whichever is earlier.

4. Notwithstanding section 8.33, moneys appropriated to the department of economic development in section 18 of this division of this Act as amended by 2009 Iowa Acts, chapter 173, section 24, and 2011 Iowa Acts, chapter 133, section 34, that remain unencumbered or unobligated at the close of the fiscal year for which the appropriation was made shall not revert but shall remain available for the purpose designated until the close of the fiscal year that begins July 1, 2014, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 42. 2008 Iowa Acts, chapter 1179, section 23, is amended to read as follows:

SEC 23. REVERSION. Notwithstanding section 8.33, moneys appropriated in this division of this Act for the fiscal year beginning July 1, 2008, and ending June 30, 2009, shall not revert at the close of the fiscal year for which they are appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, ~~2012~~ 2013, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 43. 2009 Iowa Acts, chapter 173, section 15, is amended to read as follows:

SEC 15. REVERSION.

1. ~~Notwithstanding~~ Except as provided in subsections 2 and 3 and notwithstanding section 8.33, moneys appropriated in this division of this Act for the fiscal year beginning July 1,

HF638.2323 (3) 85

-28-

rh/tm

28/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

2009, and ending June 30, 2010, shall not revert at the close of the fiscal year for which they are appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2012, or until the project for which the appropriation was made is completed, whichever is earlier.

2. Notwithstanding section 8.33, moneys appropriated in section 13, subsection 4, paragraph "a", of this division of this Act that remain unencumbered or unobligated at the close of the fiscal year for which the appropriation was made shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2014, or until the projects for which the appropriation was made are completed, whichever is earlier.

3. Notwithstanding section 8.33, moneys appropriated in section 13, subsection 4, paragraph "d", of this division of this Act as amended by 2010 Iowa Acts, chapter 1184, section 65, that remain unencumbered or unobligated at the close of the fiscal year for which the appropriation was made shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2013, or until the projects for which the appropriation was made are completed, whichever is earlier.

Sec. 44. 2009 Iowa Acts, chapter 184, section 1, subsection 1, paragraph c, is amended to read as follows:

c. For costs associated with improvements to and renovation of the Wallace building for extending the useful life of the building:

..... \$ 1,500,000

Of the amount appropriated in this lettered paragraph, \$800,000 shall be allocated for relocation costs for moving employees out of the Wallace building including moving costs and lease adjustments. As a condition of this allocation, all employees currently located in the Wallace building shall

HF638.2323 (3) 85

-29-

rh/tm

29/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

be relocated to a new office location by December 31, 2013,  
pursuant to the department's competitive bidding process for  
office space.

Sec. 45. 2009 Iowa Acts, chapter 184, section 4, is amended  
to read as follows:

SEC. 20. REVERSION.

1. For Except as provided in subsection 2, for purposes  
of section 8.33, unless specifically provided otherwise,  
unencumbered or unobligated moneys made from an appropriation  
in this division of this Act shall not revert but shall remain  
available for expenditure for the purposes designated until the  
close of the fiscal year that ends three years after the end of  
the fiscal year for which the appropriation was made. However,  
if the project or projects for which such appropriation was  
made are completed in an earlier fiscal year, unencumbered  
or unobligated moneys shall revert at the close of that same  
fiscal year.

2. Notwithstanding section 8.33, moneys appropriated  
in section 1, subsection 1, paragraphs "c" and "e", of  
this division of this Act shall not revert but shall remain  
available for the purposes designated until the close of the  
fiscal year that begins July 1, 2013, or until the project for  
which the appropriation was made is completed, whichever is  
earlier.

Sec. 46. 2011 Iowa Acts, chapter 133, section 1, subsection  
3, paragraph b, as amended by 2012 Iowa Acts, chapter 1140,  
section 14, is amended to read as follows:

b. For the construction project and one-time furniture,  
fixture, and equipment costs at the Iowa correctional facility  
for women at Mitchellville:

FY 2011-2012.....	\$ 3,061,556
FY 2012-2013.....	\$ 5,391,062
FY 2013-2014.....	\$ <del>26,769,040</del>
	<u>15,569,040</u>

HF638.2323 (3) 85

-30-

rh/tm

30/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

Sec. 47. 2011 Iowa Acts, chapter 133, section 3, subsection 5, paragraph a, as amended by 2012 Iowa Acts, chapter 1140, section 17, is amended to read as follows:

a. To be used for medical contracts under the medical assistance program for technology upgrades necessary to support Medicaid claims and other health operations, worldwide HIPAA claims transactions and coding requirements, and the Iowa automated benefits calculation system:

FY 2011-2012.....	\$ 3,494,176
FY 2012-2013.....	\$ 4,120,037
FY 2013-2014.....	\$ <del>4,815,163</del> 3,415,163
FY 2014-2015.....	\$ <del>1,945,684</del> 3,345,684

Moneys appropriated in this lettered paragraph for FY 2013-2014 shall be used only for the purposes of the eligibility integrated application solution system, the HIPPA 5010/ICD-10 claims system, and the pharmacy point of sale replacement system.

In seeking to contract with a private organization or organizations for the Medicaid management information system, the state's chief information officer shall oversee the procurement process. An advisory panel shall be established to review the final scoring of the evaluators and to make a recommendation to the director regarding the contract award for the Medicaid management information system. The advisory panel, which shall be appointed by the governor, shall consist of no less than three members. All members of the advisory panel shall be from the private sector and shall not have participated in any previous procurement for the Medicaid management information system or any procurement related to consulting or oversight of the Medicaid management information system. At least one member of the advisory panel shall have experience and knowledge in the area of management information

HF638.2323 (3) 85

-31-

rh/tm

31/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

systems and at least one member of the advisory panel shall be a provider of Medicaid services in the state of Iowa.

Sec. 48. 2012 Iowa Acts, chapter 1140, section 1, subsection 1, paragraph a, unnumbered paragraph 2, is amended to read as follows:

The moneys appropriated in this lettered paragraph shall be used according to the department's major maintenance project recommendation list ~~submitted to the Governor's vertical infrastructure advisory committee.~~

Sec. 49. 2012 Iowa Acts, chapter 1140, section 1, subsection 3, paragraph a, is amended to read as follows:

a. For exterior and interior repairs and related improvements to the state historical building, including the addition of a visitor center:

FY 2012-2013.....	\$ 1,450,000
FY 2013-2014.....	\$ 1,000,000

Notwithstanding section 8.57, subsection 5, paragraph "c", moneys appropriated in this lettered paragraph, may be used for planning purposes, including for soliciting public user feedback, relating to the preliminary design for renovations for the state historical building.

Sec. 50. 2012 Iowa Acts, chapter 1140, section 3, subsection 3, paragraph c, is amended to read as follows:

c. For maintenance and lease costs associated with connections for part III of the Iowa communications network:

FY <del>2013-2014</del> 2012-2013.....	\$ 2,727,000
--	--------------

Sec. 51. 2012 Iowa Acts, chapter 1140, section 3, subsection 7, is amended to read as follows:

7. IOWA JUDICIAL BRANCH

For costs associated with the continued development and implementation of the electronic document management system:

FY 2012-2013.....	\$ 1,000,000
FY 2013-2014.....	\$ <del>3,000,000</del>

0

HF638.2323 (3) 85

-32-

rh/tm

32/33



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

CCH-638

Sec. 52. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.>

ON THE PART OF THE HOUSE:

ON THE PART OF THE SENATE:

\_\_\_\_\_  
DAN HUSEMAN, CHAIRPERSON

\_\_\_\_\_  
MATT McCOY, CHAIRPERSON

\_\_\_\_\_  
DENNIS COHOON

\_\_\_\_\_  
DARYL BEALL

\_\_\_\_\_  
NANCY DUNKEL

\_\_\_\_\_  
TOD R. BOWMAN

\_\_\_\_\_  
MARK LOFGREN

\_\_\_\_\_  
DAVE MAXWELL



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

House File 640

H-1457

1 Amend the Senate amendment, H-1454, to House File  
2 640, as amended, passed, and reprinted by the House, as  
3 follows:

4 1. Page 7, by striking lines 33 through 46 and  
5 inserting:

6 <Sec. \_\_\_\_\_. Section 312.2, subsection 9, paragraph  
7 a, Code 2013, is amended to read as follows:

8 a. From the excise tax on motor fuel and special  
9 fuel imposed under the tax rate of section 452A.3,  
10 except aviation gasoline and dyed special fuel,  
11 the amount of excise tax collected from one and  
12 three-fourths cents per gallon.

13 Sec. \_\_\_\_\_. Section 312.2, subsection 10, paragraph  
14 a, Code 2013, is amended to read as follows:

15 a. From the excise tax on motor fuel and special  
16 fuel imposed under the tax rate of section 452A.3,  
17 except aviation gasoline and dyed special fuel, the  
18 amount of excise tax collected from one-fourth cent per  
19 gallon.

20 Sec. \_\_\_\_\_. Section 312.2, Code 2013, is amended by  
21 adding the following new subsection:

22 NEW SUBSECTION. 18. a. The treasurer of state,  
23 before making the allotments provided for in this  
24 section, shall credit monthly from the road use tax  
25 fund to the TIME-21 fund created in section 312A.2 the  
26 revenue accruing to the road use tax fund beginning  
27 July 1, 2015, from the excise tax on motor fuel and  
28 special fuel for motor vehicles and on dyed special  
29 fuel used for off-highway purposes in the amount equal  
30 to the revenues collected as follows:

31 (1) The amount of excise tax collected under  
32 section 452A.3, subsection 1, paragraph "c", or section  
33 452A.3, subsection 1A, from ten cents per gallon.

34 (2) The amount of excise tax collected under  
35 section 452A.3, subsection 3, paragraph "b",  
36 subparagraph (2), from ten cents per gallon.

37 (3) The amount of excise tax collected under  
38 section 452A.3, subsection 3, paragraph "c", from two  
39 cents per gallon.

40 b. This subsection is repealed June 30, 2028.

41 Sec. \_\_\_\_\_. Section 423.3, subsection 56, Code 2013,  
42 is amended to read as follows:

43 56. The sales price from the sale of motor fuel and  
44 special fuel consumed for highway use or in watercraft  
45 or aircraft where the fuel tax, except for the fuel tax  
46 on dyed special fuel, has been imposed and paid and no  
47 refund has been or will be allowed and the sales price  
48 from the sales of ethanol blended gasoline, as defined  
49 in section 214A.1.

50 Sec. \_\_\_\_\_. Section 452A.3, subsection 1, unnumbered

H1454.2342 (5) 85

-1-

dea/nh

1/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

1 paragraph 1, Code 2013, is amended to read as follows:

2 Except as otherwise provided in this section and  
3 in this division, until June 30, ~~2013~~ 2023, this  
4 subsection shall apply to the excise tax imposed on  
5 each gallon of motor fuel used for any purpose for the  
6 privilege of operating motor vehicles in this state.

7 Sec. \_\_\_\_\_. Section 452A.3, subsection 1, paragraph  
8 b, unnumbered paragraph 1, Code 2013, is amended to  
9 read as follows:

10 The For the period beginning July 1, 2013, and  
11 ending June 30, 2015, the rate for the excise tax shall  
12 be as follows:

13 Sec. \_\_\_\_\_. Section 452A.3, subsection 1, Code 2013,  
14 is amended by adding the following new paragraph:

15 NEW PARAGRAPH. c. For the period beginning July 1,  
16 2015, and ending June 30, 2023, the rate for the excise  
17 tax shall be as follows:

18 (1) If the distribution percentage is not greater  
19 than fifty percent, the rate shall be twenty-nine cents  
20 for ethanol blended gasoline and thirty cents for motor  
21 fuel other than ethanol blended gasoline.

22 (2) If the distribution percentage is greater than  
23 fifty percent but not greater than fifty-five percent,  
24 the rate shall be twenty-nine cents for ethanol blended  
25 gasoline and thirty and one-tenth cents for motor fuel  
26 other than ethanol blended gasoline.

27 (3) If the distribution percentage is greater than  
28 fifty-five percent but not greater than sixty percent,  
29 the rate shall be twenty-nine cents for ethanol blended  
30 gasoline and thirty and three-tenths cents for motor  
31 fuel other than ethanol blended gasoline.

32 (4) If the distribution percentage is greater than  
33 sixty percent but not greater than sixty-five percent,  
34 the rate shall be twenty-nine cents for ethanol blended  
35 gasoline and thirty and five-tenths cents for motor  
36 fuel other than ethanol blended gasoline.

37 (5) If the distribution percentage is greater  
38 than sixty-five percent but not greater than seventy  
39 percent, the rate shall be twenty-nine cents for  
40 ethanol blended gasoline and thirty and seven-tenths  
41 cents for motor fuel other than ethanol blended  
42 gasoline.

43 (6) If the distribution percentage is greater than  
44 seventy percent but not greater than seventy-five  
45 percent, the rate shall be twenty-nine cents for  
46 ethanol blended gasoline and thirty-one cents for motor  
47 fuel other than ethanol blended gasoline.

48 (7) If the distribution percentage is greater  
49 than seventy-five percent but not greater than eighty  
50 percent, the rate shall be twenty-nine and three-tenths

H1454.2342 (5) 85

-2-

dea/nh

2/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

1 cents for ethanol blended gasoline and thirty and  
2 eight-tenths cents for motor fuel other than ethanol  
3 blended gasoline.

4 (8) If the distribution percentage is greater  
5 than eighty percent but not greater than eighty-five  
6 percent, the rate shall be twenty-nine and five-tenths  
7 cents for ethanol blended gasoline and thirty and  
8 seven-tenths cents for motor fuel other than ethanol  
9 blended gasoline.

10 (9) If the distribution percentage is greater  
11 than eighty-five percent but not greater than ninety  
12 percent, the rate shall be twenty-nine and seven-tenths  
13 cents for ethanol blended gasoline and thirty and  
14 four-tenths cents for motor fuel other than ethanol  
15 blended gasoline.

16 (10) If the distribution percentage is greater  
17 than ninety percent but not greater than ninety-five  
18 percent, the rate shall be twenty-nine and nine-tenths  
19 cents for ethanol blended gasoline and thirty and  
20 one-tenth cents for motor fuel other than ethanol  
21 blended gasoline.

22 (11) If the distribution percentage is greater than  
23 ninety-five percent, the rate shall be thirty cents for  
24 ethanol blended gasoline and thirty cents for motor  
25 fuel other than ethanol blended gasoline.

26 Sec. \_\_\_\_\_. Section 452A.3, subsection 1A, Code 2013,  
27 is amended to read as follows:

28 1A. Except as otherwise provided in this section  
29 and in this division, after June 30, ~~2013~~ 2023, an  
30 excise tax of ~~twenty~~ thirty cents is imposed on each  
31 gallon of motor fuel used for any purpose for the  
32 privilege of operating motor vehicles in this state.

33 Sec. \_\_\_\_\_. Section 452A.3, subsection 3, Code 2013,  
34 is amended to read as follows:

35 3. a. For the privilege of operating motor  
36 vehicles or aircraft in this state, there is imposed  
37 an excise tax on the use of special fuel in a motor  
38 vehicle or aircraft. ~~The~~

39 b. (1) Until June 30, 2015, the tax rate on  
40 special fuel for diesel engines of motor vehicles,  
41 other than biodiesel blended fuel classified as B-10 or  
42 higher or dyed special fuel, is twenty-two and one-half  
43 cents per gallon.

44 (2) Beginning July 1, 2015, the tax rate on special  
45 fuel for diesel engines of motor vehicles, other than  
46 biodiesel blended fuel classified as B-10 or higher or  
47 dyed special fuel, is thirty-two and one-half cents per  
48 gallon.

49 (3) The tax rate on biodiesel blended fuel  
50 classified as B-10 or higher for diesel engines of

H1454.2342 (5) 85

-3-

dea/nh

3/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

1 motor vehicles is twenty-two and one-half cents per  
2 gallon.  
3 (4) The rate of tax on special fuel for aircraft is  
4 three cents per gallon.  
5 (5) On all other special fuel, unless otherwise  
6 specified in this section, the per gallon rate is the  
7 same as the motor fuel tax.  
8 c. Indelible dye meeting United States  
9 environmental protection agency and internal revenue  
10 service regulations must be added to fuel before or  
11 upon withdrawal at a terminal or refinery rack for that  
12 fuel to be exempt from the tax imposed under paragraph  
13 "b" and the dyed fuel may be used only for an exempt  
14 purpose off-highway purposes. Beginning July 1, 2015,  
15 an excise tax at the rate of two cents per gallon  
16 is imposed on dyed special fuel used for off-highway  
17 purposes.  
18 Sec. \_\_\_\_. Section 452A.3, subsection 5, Code 2013,  
19 is amended by adding the following new paragraph:  
20 NEW PARAGRAPH. c. The director of revenue  
21 shall administer the excise tax on dyed special  
22 fuel as nearly as possible in conjunction with the  
23 administration of the state sales and use tax law,  
24 except that portion of the law which implements the  
25 streamlined sales and use tax agreement. Section  
26 422.25, subsection 4, sections 422.30, 422.67, and  
27 422.68, section 422.69, subsection 1, sections 422.70,  
28 422.71, 422.72, 422.74, and 422.75, section 423.14,  
29 subsection 1, and sections 423.23, 423.24, 423.25,  
30 423.31 through 423.35, 423.37 through 423.42, and  
31 423.47, consistent with the provisions of this chapter,  
32 apply with respect to the tax on dyed special fuel  
33 authorized under this section, in the same manner and  
34 with the same effect as if the excise taxes on dyed  
35 special fuel were retail sales taxes within the meaning  
36 of those statutes.  
37 Sec. \_\_\_\_. Section 452A.8, subsection 1, paragraph  
38 b, Code 2013, is amended to read as follows:  
39 b. ~~For information purposes only, a supplier,~~  
40 ~~restrictive supplier, or importer shall show the~~  
41 The number of invoiced gallons of dyed special fuel  
42 withdrawn from the terminal.  
43 Sec. \_\_\_\_. APPLICABILITY — INVENTORY  
44 TAX. Notwithstanding section 452A.85, persons who have  
45 title to motor fuel, ethanol blended gasoline, undyed  
46 special fuel, compressed natural gas, or liquefied  
47 petroleum gas in storage and held for sale on the  
48 effective date of an increase in the rate of excise  
49 tax imposed on motor fuel, ethanol blended gasoline,  
50 or special fuel pursuant to this division of this

H1454.2342 (5) 85

-4-

dea/nh

4/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

1 Act shall not be subject to an inventory tax on the  
2 gallonage in storage as provided in section 452A.85 as  
3 a result of the tax increases provided in this division  
4 of this Act.>

5 2. Page 7, after line 49 by inserting:

6 <DIVISION  
7 INCOME TAX CREDITS

8 Sec. \_\_\_\_\_. **NEW SECTION. 422.11C Dyed special fuel**  
9 **tax credit.**

10 1. The taxes imposed under this division, less the  
11 credits allowed under section 422.12, shall be reduced  
12 by a dyed special fuel tax credit equal to two cents  
13 per gallon of dyed special fuel used for off-highway  
14 purposes subject to the excise tax in section 452A.3  
15 which was purchased by the taxpayer during the tax  
16 year.

17 2. An individual may claim the tax credit allowed a  
18 partnership, limited liability company, S corporation,  
19 estate, or trust electing to have the income taxed  
20 directly to the individual. The amount claimed by the  
21 individual shall be based upon the pro rata share of  
22 the individual's earnings of the partnership, limited  
23 liability company, S corporation, estate, or trust.

24 3. Any credit in excess of the tax liability  
25 shall be refunded. In lieu of claiming a refund, a  
26 taxpayer may elect to have the overpayment shown on the  
27 taxpayer's final, completed return credited to the tax  
28 liability for the following taxable year.

29 Sec. \_\_\_\_\_. **NEW SECTION. 422.11E Fuel tax neutrality**  
30 **tax credit.**

31 1. For purposes of this section, unless the context  
32 otherwise requires:

33 *a. "Hybrid motor vehicle" means a motor vehicle*  
34 *subject to registration under section 321.18, which*  
35 *operates on a combination of an electric propulsion*  
36 *system and an internal combustion propulsion system.*

37 *b. "Lease" or "leased" means the same as defined in*  
38 *section 321F.1.*

39 *c. "Motor vehicle" means a motor vehicle subject*  
40 *to registration under section 321.18, excluding a*  
41 *motor vehicle that operates solely on an electric*  
42 *propulsion system or a motor vehicle that operates on*  
43 *a combination of an electric propulsion system and an*  
44 *internal combustion propulsion system.*

45 *d. "Used primarily for business purposes" means to*  
46 *primarily use a motor vehicle or hybrid motor vehicle*  
47 *in such a way as to allow the taxpayer a deduction*  
48 *under section 162(a) of the Internal Revenue Code, but*  
49 *shall not include a vehicle primarily used for lease or*  
50 *rental to another person, or held primarily for sale to*

H1454.2342 (5) 85

-5-

dea/nh

5/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

1 another person.

2 *e. "Used primarily for personal purposes" means to*  
3 *primarily use a motor vehicle or hybrid motor vehicle*  
4 *for any purpose other than a business purpose, but*  
5 *shall not include a vehicle primarily used for lease or*  
6 *rental to another person, or held primarily for sale to*  
7 *another person.*

8 2. The taxes imposed under this division, less  
9 the credits allowed under section 422.12, shall be  
10 reduced by a fuel tax neutrality tax credit equal to  
11 the following:

12 *a. For a motor vehicle owned or leased by a*  
13 *taxpayer and used primarily for personal purposes,*  
14 *seventy-five dollars. However, for tax years beginning*  
15 *in the 2015 calendar year, the amount shall not exceed*  
16 *thirty-seven dollars.*

17 *b. For a hybrid motor vehicle owned or leased by*  
18 *a taxpayer and used primarily for personal purposes,*  
19 *forty dollars. However, for tax years beginning in the*  
20 *2015 calendar year, the amount shall not exceed twenty*  
21 *dollars.*

22 *c. For a motor vehicle or hybrid motor vehicle*  
23 *owned or leased by a taxpayer and used primarily for*  
24 *business purposes, one of the following amounts:*

25 (1) If the taxpayer has elected for federal tax  
26 purposes to use the standard mileage rate method for  
27 computation of deductible business expenses pursuant  
28 to the Internal Revenue Code, an amount equal to  
29 fifty-five hundredths of a cent per mile driven within  
30 Iowa during the tax year, rounded to the nearest  
31 dollar. However, the credit in this subparagraph shall  
32 not apply to miles driven before July 1, 2015.

33 (2) If the taxpayer has elected for federal tax  
34 purposes to deduct the actual costs of operating the  
35 motor vehicle or hybrid motor vehicle pursuant to the  
36 Internal Revenue Code, an amount equal to ten cents per  
37 gallon of motor fuel or undyed special fuel purchased  
38 within Iowa by the taxpayer during the tax year for use  
39 in the motor vehicle or hybrid motor vehicle, rounded  
40 to the nearest dollar. However, the credit in this  
41 subparagraph shall not apply to fuel purchased before  
42 July 1, 2015.

43 3. For purposes of the credit in subsection 2, if a  
44 motor vehicle or hybrid motor vehicle is jointly owned  
45 or leased by two or more taxpayers, the credit shall  
46 only be claimed by one taxpayer.

47 4. For purposes of the credits in subsection 2,  
48 paragraphs "a" and "b", if the taxpayer is not the  
49 owner or lessee of the motor vehicle or hybrid motor  
50 vehicle for the entire tax year, the maximum amount

H1454.2342 (5) 85

-6-

dea/nh

6/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

1 of the credit shall be prorated and the amount of  
2 the credit for the taxpayer with respect to those  
3 paragraphs shall equal the maximum amount of credit  
4 for the tax year, divided by twelve, multiplied by the  
5 number of months in the tax year that the taxpayer  
6 owned or leased the motor vehicle or hybrid motor  
7 vehicle.

8 5. An individual may claim the tax credit allowed a  
9 partnership, limited liability company, S corporation,  
10 estate, or trust electing to have the income taxed  
11 directly to the individual. The amount claimed by the  
12 individual shall be based upon the pro rata share of  
13 the individual's earnings of the partnership, limited  
14 liability company, S corporation, estate, or trust.

15 6. Any credit in excess of the tax liability  
16 shall be refunded. In lieu of claiming a refund, a  
17 taxpayer may elect to have the overpayment shown on the  
18 taxpayer's final, completed return credited to the tax  
19 liability for the following taxable year.

20 Sec. \_\_\_\_\_. Section 422.33, Code 2013, is amended by  
21 adding the following new subsections:

22 NEW SUBSECTION. 22. The taxes imposed under this  
23 division shall be reduced by a dyed special fuel  
24 tax credit in the same manner, for the same amount,  
25 and under the same conditions as provided in section  
26 422.11C.

27 NEW SUBSECTION. 23. The taxes imposed under this  
28 division shall be reduced by a fuel tax neutrality  
29 tax credit in the same manner, for the same amount,  
30 and under the same conditions as provided in section  
31 422.11E.

32 Sec. \_\_\_\_\_. EFFECTIVE DATE. This division of this  
33 Act takes effect January 1, 2015.

34 Sec. \_\_\_\_\_. APPLICABILITY. This division of this Act  
35 applies to tax years beginning on or after January 1,  
36 2015.>

37 3. Page 8, after line 1 by inserting:

38 <\_\_\_\_. Title page, line 7, by striking <extending  
39 the period for determining the rates>

40 \_\_\_\_\_. Title page, by striking lines 8 and 9 and  
41 inserting <relating to excise taxes on motor fuel and  
42 certain special fuel, providing for the use of certain  
43 revenues resulting from the excise taxes, providing  
44 income tax credits, including>

45 \_\_\_\_\_. Title page, line 10, after <date> by inserting  
46 <and applicability>>

47 4. By renumbering as necessary.



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

---

BYRNES of Mitchell

---

BALTIMORE of Boone



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

House File 650 - Introduced

HOUSE FILE 650

BY HALL

(COMPANION TO SF 205 BY  
COMMITTEE ON ECONOMIC GROWTH)

A BILL FOR

- 1 An Act relating to the targeted jobs withholding credit pilot
- 2 project and including applicability provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1661YH (3) 85  
md/sc



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

H.F. 650

1 Section 1. Section 403.19A, subsection 1, paragraphs c, e,  
2 f, and g, Code 2013, are amended to read as follows:

3 c. "Employer" means a business creating or retaining  
4 targeted jobs in ~~an urban renewal area of~~ a pilot project city  
5 pursuant to a withholding agreement.

6 e. "Qualifying investment" means a capital investment  
7 in real property including the purchase price of land and  
8 existing buildings, site preparation, building construction,  
9 and long-term lease costs. "Qualifying investment" also means a  
10 capital investment in depreciable assets. For purposes of this  
11 paragraph, "long-term lease costs" means those costs incurred or  
12 expected to be incurred under a lease during the duration of a  
13 withholding agreement.

14 f. "Targeted job" means a job in a business which is or  
15 will be located in ~~an urban renewal area of~~ a pilot project  
16 city that pays a wage at least equal to the countywide average  
17 wage. "Targeted job" includes new or retained jobs from Iowa  
18 business expansions or retentions within the city limits of the  
19 pilot project city and those jobs resulting from established  
20 out-of-state businesses, as defined by the economic development  
21 authority, moving to or expanding in Iowa.

22 g. "Withholding agreement" means the agreement between a  
23 pilot project city, the economic development authority, and  
24 an employer concerning the targeted jobs withholding credit  
25 authorized in subsection 3.

26 Sec. 2. Section 403.19A, subsection 1, Code 2013, is amended  
27 by adding the following new paragraph:

28 NEW PARAGRAPH. Of. "Retained job" means a full-time  
29 equivalent position in existence at the time an employer enters  
30 into a withholding agreement that remains continuously filled  
31 or authorized to be filled as soon as possible and that is at  
32 risk of elimination or relocation to an out-of-state location  
33 if the project for which the employer receives assistance under  
34 the withholding agreement does not proceed.

35 Sec. 3. Section 403.19A, subsection 3, paragraphs a, b, c,

LSB 1661YH (3) 85

-1-

md/sc

1/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

H.F. 650

1 and f, Code 2013, are amended to read as follows:

2     a. A pilot project city may provide by ~~ordinance~~ resolution  
3 for the deposit into a designated ~~account in the special~~  
4 withholding project fund described in section 403.19,  
5 ~~subsection 2,~~ of the targeted jobs withholding credit described  
6 in this section. The targeted jobs withholding credit shall  
7 be based upon the wages paid to employees pursuant to a  
8 withholding agreement.

9     b. An amount equal to three percent of the gross wages paid  
10 by an employer to each employee under a withholding agreement  
11 shall be credited from the payment made by the employer  
12 pursuant to section 422.16. If the amount of the withholding  
13 by the employer is less than three percent of the gross wages  
14 paid to the employees covered by the withholding agreement,  
15 the employer shall receive a credit against other withholding  
16 taxes due by the employer or may carry the credit forward for  
17 up to ten years or until depleted, whichever is the earlier.  
18 The employer shall remit the amount of the credit quarterly,  
19 in the same manner as withholding payments are reported to  
20 the department of revenue, to the pilot project city to be  
21 allocated to and when collected paid into a designated ~~account~~  
22 in the special withholding project fund for the urban renewal  
23 area in which the targeted jobs are located project. All  
24 amounts so deposited shall be used or pledged by the pilot  
25 project city for ~~an urban renewal~~ a project related to the  
26 employer pursuant to the withholding agreement.

27     c. (1) The pilot project city and the economic development  
28 authority shall enter into a withholding agreement with each  
29 employer concerning the targeted jobs withholding credit. The  
30 withholding agreement shall provide for the total amount of  
31 withholding credits awarded, as negotiated by the economic  
32 development authority, the pilot project city, and the  
33 employer. An agreement shall not provide for an amount of  
34 withholding credits that exceeds the amount of the qualifying  
35 investment made in the project. An agreement shall not be

LSB 1661YH (3) 85

md/sc

2/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

H.F. 650

1 entered into ~~by a pilot project city~~ with a business currently  
2 located in this state unless the business either creates or  
3 retains ten new jobs or makes a qualifying investment of at  
4 least five hundred thousand dollars within the ~~urban renewal~~  
5 area pilot project city. The withholding agreement may  
6 have a term of years negotiated by the economic development  
7 authority, the pilot project city, and the employer, of up  
8 to ten years. A withholding agreement specifying a term of  
9 years or a total amount of withholding credits shall terminate  
10 upon the expiration of the term of years specified in the  
11 agreement or upon the award of the total amount of withholding  
12 credits specified in the agreement, whichever occurs first. An  
13 employer shall not be obligated to enter into a withholding  
14 agreement. An agreement shall not be entered into with an  
15 employer not already located in a pilot project city when  
16 another Iowa community is competing for the same project and  
17 both the pilot project city and the other Iowa community are  
18 seeking assistance from the authority.

19 (2) The pilot project city and the economic development  
20 authority shall not enter into a withholding agreement after  
21 June 30, ~~2013~~ 2018.

22 (3) The employer, in conjunction with the pilot project  
23 city, shall provide on an annual basis to the economic  
24 development authority information documenting the total  
25 amount of payments and receipts under a withholding agreement,  
26 including all agreements with an employer to suspend, abate,  
27 exempt, rebate, refund, or reimburse property taxes, to provide  
28 a grant for property taxes paid or a grant not related to  
29 property taxes, or to make a direct payment of taxes, with  
30 moneys in the ~~special~~ withholding project fund. The economic  
31 development authority shall verify the information provided ~~by~~  
32 ~~the pilot project city~~ and determine whether the pilot project  
33 city and the employer are in compliance with this section and  
34 the rules adopted by the economic development authority to  
35 implement this section.



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

H.F. 650

1     (4) The economic development authority board, on behalf of  
2 the authority, shall have the authority to approve or deny a  
3 withholding agreement and according to the provisions of this  
4 section. Each withholding agreement, and the total amount of  
5 withholding credits allowed under the withholding agreement,  
6 shall be approved by the economic development authority board  
7 after taking into account the incentives or assistance received  
8 by or to be received by the employer under other economic  
9 development programs. The economic development authority  
10 board shall only deny an agreement if the agreement fails to  
11 meet the requirements of this paragraph "c" or the local match  
12 requirements in paragraph "j", or if an employer is not in good  
13 standing as to prior or existing agreements with the economic  
14 development authority. The authority shall have the authority  
15 to negotiate a withholding agreement and may suggest changes to  
16 an any of the terms of the agreement.

17     f. If the economic development authority, following an  
18 eighteen-month performance period beginning on the date the  
19 withholding agreement is approved by the authority board,  
20 determines that the employer ceases to meet the requirements  
21 of the withholding agreement relating to retaining jobs, if  
22 applicable, the agreement shall be terminated by the economic  
23 development authority and the pilot project city and any  
24 withholding credits for the benefit of the employer shall  
25 cease. However, in regard to the number of jobs that are to  
26 be created or retained, if the employer has met the number of  
27 jobs to be created or retained pursuant to the withholding  
28 agreement and subsequently the number of jobs falls below the  
29 required level, the employer shall not be considered as not  
30 meeting the job requirement until eighteen months after the  
31 date of the decrease in the number of jobs created or retained.  
32 If the economic development authority, following a three-year  
33 performance period beginning on the date the withholding  
34 agreement is approved by the authority board, determines  
35 that the employer has not or is incapable of meeting the

LSB 1661YH (3) 85

md/sc

4/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

H.F. 650

1 requirements of the withholding agreement relating to creating  
2 jobs, if applicable, or the requirement of the withholding  
3 agreement relating to the qualifying investment prior to the  
4 end of the withholding agreement, the economic development  
5 authority may reduce the future benefits to the employer under  
6 the agreement or negotiate with the other parties to terminate  
7 the agreement early. Notice shall be provided promptly by  
8 the pilot project city to the department of revenue following  
9 termination of a withholding agreement.

10 Sec. 4. Section 403.19A, subsection 3, paragraph d,  
11 subparagraph (1), Code 2013, is amended to read as follows:

12 (1) A copy of the adopted local development agreement  
13 ~~plan of~~ between the pilot project city and the employer  
14 that outlines local incentives or assistance for the project  
15 using urban renewal or urban revitalization incentives, if  
16 applicable.

17 Sec. 5. Section 403.19A, subsection 3, Code 2013, is amended  
18 by adding the following new paragraph:

19 **NEW PARAGRAPH.** *Of.* Pursuant to rules adopted by the  
20 economic development authority, the pilot project city  
21 shall provide on an annual basis to the economic development  
22 authority information documenting the compliance of each  
23 employer with each requirement of the withholding agreement,  
24 including but not limited to the number of jobs created or  
25 retained and the amount of investment made by the employer.  
26 The economic development authority shall, in response to  
27 receiving such information from the pilot project city, assess  
28 the level of compliance by each employer and provide to the  
29 pilot project city recommendations for either maintaining  
30 employer compliance with the withholding agreement or  
31 terminating the agreement for noncompliance under paragraph  
32 "f". The economic development authority shall also provide each  
33 such assessment and recommendation report to the department of  
34 revenue.

35 Sec. 6. **APPLICABILITY.**



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

H.F. 650

1 1. Except as provided in subsection 2, this Act applies to  
2 withholding agreements entered into on or after the effective  
3 date of this Act and withholding agreements entered into by  
4 a pilot project city prior to the effective date of this Act  
5 shall be governed by section 403.19A, Code 2013.

6 2. The section of this Act enacting section 403.19A,  
7 subsection 3, paragraph "Of", applies to withholding agreements  
8 entered into prior to the effective date of this Act or entered  
9 into on or after the effective date of this Act.

10 EXPLANATION

11 This bill modifies the targeted jobs withholding tax credit  
12 program, which is a pilot program enacted in 2006 to allow  
13 the diversion of withholding funds paid by an employer to be  
14 matched by a designated pilot project city to create economic  
15 incentives that can be directed toward businesses located  
16 within urban renewal areas in the city pursuant to the terms of  
17 a withholding agreement with a business and after approval of  
18 the agreement by the Iowa economic development authority.

19 The bill removes the requirement that an employer that is a  
20 party to a withholding agreement with a pilot project city be  
21 located in an urban renewal area. The bill removes a similar  
22 requirement relating to the definition of targeted job. The  
23 bill makes corresponding changes to Code section 403.19A to  
24 reflect the removal of the urban renewal area requirement,  
25 including providing that the targeted jobs withholding credits  
26 be deposited in a withholding project fund rather than the  
27 special fund established for urban renewal purposes.

28 The bill allows a pilot project city to provide for the  
29 deposit of the amount of the targeted jobs withholding credit  
30 into the city's withholding project fund by resolution, rather  
31 than by ordinance.

32 The bill provides a definition of long-term lease costs as  
33 part of the definition of qualifying investment under the pilot  
34 program and provides a definition of retained job.

35 Under current law, a pilot project city may not enter into a

LSB 1661YH (3) 85

-6-

md/sc

6/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

H.F. 650

1 withholding agreement after June 30, 2013. The bill adds the  
2 economic development authority to the list of required parties  
3 to a withholding agreement and prohibits a pilot project city  
4 and the economic development authority from entering into a  
5 withholding agreement after June 30, 2018. The bill specifies  
6 subject areas of a withholding agreement that may be negotiated  
7 by the parties and provides that a withholding agreement that  
8 specifies a term of years or a total amount of withholding  
9 credits shall terminate upon expiration of the term of years  
10 or upon the award of the total amount of withholding credits,  
11 whichever occurs first.

12 The bill requires the reporting of certain withholding  
13 agreement payment and receipt information by the employer,  
14 in conjunction with the pilot project city, and requires the  
15 economic development authority to verify such information and  
16 determine whether the pilot project city and the employer are  
17 in compliance with Code section 403.19A and rules adopted to  
18 implement that Code section.

19 The bill provides that the economic development authority  
20 board approves or denies a withholding agreement on behalf of  
21 the authority and specifies considerations to be made by the  
22 board in deciding whether to approve or deny a withholding  
23 agreement.

24 The bill establishes an 18-month performance period  
25 following which the economic development authority determines  
26 compliance with the job retention requirements of the  
27 withholding agreement, if applicable, establishes a three-year  
28 performance period following which the authority determines  
29 compliance with the job creation and investment requirements  
30 of the withholding agreement, and specifies the actions to  
31 be taken by the authority and the pilot project city after a  
32 determination of noncompliance.

33 Except as otherwise provided in the bill, the bill applies  
34 to withholding agreements entered into by a pilot project city  
35 on or after the effective date of the bill. The bill provides

LSB 1661YH (3) 85  
md/sc

-7-

7/8



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

H.F. 650

1 that withholding agreements entered into by a pilot project  
2 city prior to the effective date of the bill shall be governed  
3 by Code section 403.19A, Code 2013. However, the section of  
4 the bill enacting Code section 403.19A(3)(Of), relating to  
5 compliance reporting, applies to withholding agreements entered  
6 into prior to, on, or after the effective date of the bill.



Iowa General Assembly  
Daily Bills, Amendments and Study Bills  
May 17, 2013

House File 620

S-3261

- 1 Amend House File 620, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 2, line 20, by striking <eighty-five> and  
4 inserting <seventy>  
5 2. Page 2, line 23, after <shall> by inserting  
6 <not exceed twenty percent of the amount specified in  
7 paragraph "a", and shall>  
8 3. Page 3, after line 11 by inserting:  
9 <Sec. \_\_\_\_\_. Section 15.119, subsection 3, Code 2013,  
10 is amended to read as follows:  
11 3. In allocating the amount of tax credits  
12 authorized pursuant to subsection 1 among the programs  
13 specified in subsection 2, the authority shall not  
14 allocate more than five ten million dollars for  
15 purposes of subsection 2, paragraph "f".>  
16 4. Page 3, line 22, by striking <five> and  
17 inserting <six>  
18 5. By striking page 4, line 14, through page 6,  
19 line 2.  
20 6. Page 6, after line 19 by inserting:  
21 <DIVISION \_\_\_\_  
22 MAIN STREET IOWA PROGRAM APPROPRIATION  
23 Sec. \_\_\_\_\_. From the moneys appropriated in 2013  
24 Iowa Acts, House File 604, if enacted, for the fiscal  
25 year beginning July 1, 2013, and ending June 30, 2014,  
26 from the Iowa skilled worker and job creation fund  
27 created in section 8.75, if enacted, to the economic  
28 development authority for the purposes of providing  
29 assistance under the high quality jobs program as  
30 described in section 15.335B, not more than \$1,000,000  
31 may be used by the economic development authority  
32 for purposes of providing infrastructure grants to  
33 mainstreet communities under the main street Iowa  
34 program.>  
35 7. Title page, by striking lines 6 and 7 and  
36 inserting <making appropriations, and including>  
37 8. By renumbering as necessary.

COMMITTEE ON WAYS AND MEANS  
JOE BOLKCOM, CHAIRPERSON

HF620.2341 (3) 85

-1-

mm/rj

1/1